

III. B. 1. To the extent that a bi-lateral agreement tends to identify the US with the Franco regime and to bolster the government's authority, it can be expected to alienate anti-regime groups and to be greeted enthusiastically by pro-government elements. Equipment furnished to the Spanish armed forces will be viewed as a move to strengthen an instrument principally important since before the turn of the century as a domestic police force. A commitment to develop Spanish air and naval bases can be expected to call forth less criticism from the opposition or approbation from regime sympathizers, although any assistance furnished for strictly military ends would also tend to convince everyone that the US is interested more in cold war politics than in the welfare of the Spanish people.

Leaders of the Monarchist-Socialist-Anarchist coalition have informed the US of their intention to sabotage any military aid to Franco. Some destruction of the Spanish war machine can be expected under present political conditions, but it is not likely that any but the handful of Communists would sabotage a Spanish war effort under conditions of actual armed conflict. Spaniards traditionally have put aside domestic politics when the independence of Spain was threatened and can be expected to react in the same way in the foreseeable future.

2. Doubts of Franco's willingness to stand by his commitments stem primarily from his attitude during the second World War, but are not necessarily valid under present conditions insofar as the basic question of involvement or neutrality is concerned. While the Chief of State received

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large-scale Axis assistance during the Spanish Civil War, he adopted a completely opportunistic policy during the world conflict which followed. Franco could not afford to remain neutral in a possible conflict with the Soviet Union, however. Not only ideological differences, but the realization that the Soviet Union could not permit the existence of an independent Spain would force Franco to intervene to some extent in the conflict. In addition, the views of the principal regime-supporting elements, and particularly of the Spanish Catholic Church, would make a neutral policy untenable.

Although Franco can be expected to keep his word on the major question of involvement or neutrality, any promise on more minor matters should be examined carefully in the light of Spanish capabilities and desires. A pledge by Franco to utilize US financial assistance effectively, for example, cannot be kept without opposition from the Army and the Falange, which to some extent are kept loyal by freedom to conduct black market operations. Franco will not keep a promise to send troops outside the Pyrenees if he believes that this may prejudice the cause of Spanish security or domestic stability. Recently, Franco informed the US Ambassador that measures to improve the religious freedom of Spanish Protestants would be taken; any significant liberalization in this direction is, however, unlikely, as it would alienate an important part of the Spanish clergy.

3. Negotiation of an agreement with Spain will probably serve to strengthen somewhat the stability of the regime. In the long run, any increase in the effectiveness of the Spanish armed forces will improve the regime's capability to maintain itself in power. Improved prospects for foreign assistance will also tend to maintain the loyalty of the Army, and to compensate for the recent deterioration in their standard of living. Conversely, Franco's inability to bring Spain into NATO will tend to diminish the loyalty of the Spanish officers, who realize that as time goes on the effectiveness of the Spanish army as an effective fighting force diminishes absolutely and in relation to western Europe. The possibility exists that the opposition may decide to take all possible disruptive action to dislodge the regime before the arrival of full US aid, although there is little likelihood they will succeed.

III. C. Any move by the US to utilize Spanish bases or to bolster the country's defenses can be expected to have a generally unfavorable impact on the implementation of US objectives in Western Europe. The strong current of belief that US defense strategy is based on eventual liberation of Western Europe and that the US intends to establish its real defense lines on the Pyrenees will be strengthened and can be expected to increase existing neutrality sentiment, particularly in France and Italy. Countries with interests in the Mediterranean region, mainly France and the UK, will view with suspicion a unilateral US rapprochement with Spain. Traditional French fears of a Spanish-German alliance are likely to be revived.

Agreement between the US and Spain will greatly increase the Soviet propaganda potential. Communist propaganda has always alleged that the US intends to ally itself with "Fascist Spain" in connection with plans to "foment war against the Soviet Union." To those non-Communist groups in Western Europe whose complete support for US policies has not been acquired, efforts to strengthen Spain would give the appearance of truth

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to Communist charges. Communist propaganda would also add this "evidence" to the charge that Western European governments are merely satellites of the US.

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